(Rev. January 1988)

## **Computation of Foreign Tax Credit—Corporations**

Department of the Treasury Internal Revenue Service

, 19

Expires 11-30-90

	nal Revenue Service		For calendar y	ear 19 , or othe	er tax year beginning	, 19	, and ending	, 19		
Nam	е								Employer identifica	ation number
wi	is form is being complith respect to: (Use a s 1118 for each type of General Instruct	separate Form income. See tion J.)	High Finar Shipp Divid	oreign corporation	ne oncontrolled Section ▶		(see below) Country of	Foreign Trad Distributions	om an IC-DISC or e Income of a FSC From a FSC or Fc ome From Source	
26	I AXADIC	e income or (L					Branch and Section 86	i3(b) Gross Income—S	See Instructions)	
	1. Name of Foreign Count or U.S. Possession (Use a separate line for each)	a (Exclude	ds 3. Dividend	4. Interest	5. Gross Rents, Royalties, and License Fees	6. Gross Income from Performance of Services	7. Foreign Source Capital Gain Net Income	8. Ordinary Income or (Loss) from Partnerships	9. Other (Attach schedule)	10. Total (Add columns 2 through 9)
A B					7.0					
C										
C										
Totals	(Add lines A through D)									
		De	ductions (Exclude Forei	gn Branch and Section 8	B63(b) Deductions—Se	e Instructions)				
		11. De	efinitely Allocable Deduc	tions				14. Taxable Income or	15. Taxable Income or	16. Total Taxable Income or (Loss) From
	Rental, Royalty, and L	tal, Royalty, and Licensing Expenses			e. Total Definitely	12. Ratable Part of	13. Total Deduc-	(Loss) of Foreign Branches From Sources	(Loss) Attributable to Sources Outside the U.S.	Sources Outside the U.S. (Before loss recapture)
	a. Depreciation, Depletion, and Amortization	<b>b.</b> Other Expenses	c. Expenses Related to Performance of Services	d. Other Definitely Allocable Deductions	Allocable Deductions (Add columns 11(a) through 11(d))	Deductions Not Definitely Allocable (Attach schedule)	tions (Add columns 11(e) and 12)	Outside the U.S. (Attach schedule)	Under Section 863(b) (Attach schedule)	(Column 10 less column 13 plus columns 14 and 15.)
B		<del></del>		7.7	_					
c						And Market Control				
D				,						
Totals										

	Form	1118 (	Rev.	1-8
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- 7			s raiu 0	r Accrued and D								T	1	
	1. C Claimed	redit is 1 for Taxes:		3. Statute Imposing Tax			ttach receipt or copy of re	eturn, and a schedule sh			n rate(s) used)	h. Total Foreign Taxes		
	Paid	Accrued	2. Type of	Z. Type (Title, number, of section, etc. Tax Identify in	(Title, Hamber,		Tax Withheld at Source	on:		Other Foreign Taxes	s Paid or Accrued on:		Paid or Accrued (Add	5. Tax Deemed To Have Been Paid (From
	Date Paid	Date Accrued	Tax		a. Dividends	<b>b.</b> Interest	c. Rents, Royalties, and License Fees	d. Branch Income	e. Services Income	f. Partnership Income g. Other		columns 4(a) through 4(g))	Schedule C, column 11)	
Α														
В														
С														
D														
	ls (Add lines A													
Pa	<u>rt II.—Co</u>	mputation	n of Fore	eign Tax Credit										
1	Total for	eign taxes pa	aid or acc	rued (from Part I, c	olumn 4(h), ''Te	otals'' line)								
2	Total tax	es deemed t	o have be	en paid (from Part	I, column 5, "T	otals'' line)								
3	Reductio	n for taxes u	under sect	tions 901(e), 901(j	), 907(a), 908(a	a) and 6038 (se	ee also General	Instruction I—a	attach schedule	)				
4	Carrybac	k or carryov	er (attach	schedule showing	computation in	detail—see Go	eneral Instructio	on L)						
5	Total for	eign taxes (s	ubtract lii	ne 3 from the total	of lines 1, 2, an	d 4)								
6				) from sources outs										
ŀ	<b>b</b> Separat	te limitation	loss or inc	come (see instructi	ons)									
•				ubtract line 6b from										
•	d Allocab	le share of U	J.S. loss (S	Section 904(f)(5)([	D)) (see instruct	ions)					<u> </u>	//		
•	Subtract	t line 6d fro	m line 6c											
7	Recaptui	re of prior ye	ear overall	foreign losses (see	General Instru	ction K(3))			. <b></b> .		<i>.</i>			
8	Subtract	line 7 from l	ine 6e .											
9	Total taxa	able income	from all s	ources (enter taxal	ole income from	your tax return	1)				L			
10	Adjustme	ents to total t	taxable in	come from all sour	ces (see Genera	l Instructions K	((2), K(4), and K	((5))			L	///		
11	Subtract	line 10 from	line 9 .											
12	Divide lin	e 8 by line 1	1 (if line 8	8 is greater than lin	e 11, enter the	figure ''1'') .   .								
13	Total U.S	income tax	cagainst v	which credit is allov	ved (after section	n 936 credit bu	ut before any oth	ner credit)						
14	Limitation	n (multiply li	ne 13 by	line 12)										
<u>15</u>	Foreign to	ax credit (lin	e 5 or line	e 14, whichever is I	ess) (Enter this	amount on the	appropriate line	of Part III.)	<u> </u>	<u> </u>	<u> </u>	<u> </u>		
				from Separate I							· · · · · · · · · · · · · · · · · · ·	177		
1		•	•	income · · · ·										
2				hholding tax intere										
3				I services income .										
4				gincome										
5				trolled section 902										
6				s from an IC-DISC										
7				trade income of a F										
8				tions from a FSC or										
9				income from sour										
10	Total (ad	ld lines 1 thr	ough 9)											
11	Reduction	on in credit fo	or interna	tional boycott oper	ations (see Gen	eral Instruction	마)							
12	Total for	eign tax crec	ut (subtra	ct line 11 from line	e 10). Enter here	e and on your ta	ax return							

## Schedule C

Computation of Taxes Deemed To Have Been Paid by Domestic Corporation Filing This Return

The following lines are for the computation of tax deemed to have been paid by the domestic corporation filing this return with respect to actual or deemed distributions from a first-tier foreign corporation under section 902(a), and constructive distributions from a first-tier, second-tier, or third-tier foreign corporation under section 960(a). Enter the amounts from column 11 in Schedule B, Part I, column 5.

Name of Corporation     (Identify IC-DISCs and former DISCs)	Name of Corporation tify IC-DISCs and former DISCs)  4. Computation is for (Check applicable box):		is for ole box):	5. Undistributed	6. Foreign Taxes Paid or Accrued							
dividends are paid out of earnings and profits earned in tax years beginning before 1987, see the	3. Incorporated Under the Laws of (Name of country or U.S. possession)	Foreign C Under S	t-Tier orporation Section—	Second-Tier or Third-Tier Foreign Cor- poration	Earnings and Profits for Tax Years Beginning After 1986 (attach schedule)	Paid or Accrued on Earnings and Profits for Tax Years Beginning After 1986	7. Taxes Deemed Paid (from Schedule D, column 10)	8. Add Columns 6 and 7	9. Dividends Paid and Deemed Paid	10. Divide Column 9 by Column 5	11. Tax Deemed Paid (multiply column 10 by column 8)	
instructions.			902(a)	960(a)	Under Sec- tion 960(a)							
							,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,					
				:								
												<u> </u>
											i	
			<u></u>									
Totals								,				

Name of Foreign Corporation and Its Related Higher-Tier Foreign Corporation	<b>2</b> . Year	3. Incorporated Under the Laws of	4. Undistributed Earnings and Profits for Tax	5. Foreign Taxes Paid or Accrued on Earnings and Profits for Tax	6. Taxes Deemed Paid (from	7. Add Columns 5	8. Dividends Paid	9. Divide Column 8 by Column 4	10. Tax Deemed Paid (multiply column 9 by column 7)
or columnar instructions for Schedules C, D, and E when ividends are paid out of earnings and profits earned in tax years eginning before 1987, see the instructions.	(See inst.)	(Name of country or U.S. possession)	Years Beginning After 1986 (attach schedule)	Years Beginning After 1986 (see instructions)	Schedule E, column 10)	and 6	<b>3.</b> 2 (1) (1)		
chedule E Computation of Tax  The following lines are corporation under se	e for the	computation of tax	deemed to have b	een paid by a se	cond-tier foreign	corporation with	respect to divid	lends from a thir	d-tier foreign
		(-)(-), -), -), -)							
				,					